



**The American  
Bankruptcy Institute,  
the Federal Reserve  
Board, and the  
National Endowment  
for Financial  
Education have  
provided the following  
statistics:**

- Personal bankruptcy filings in this country remain at historic highs
- More young people file for bankruptcy than graduate from college

## **Teach Your Child about Money**

As parents, we should teach our children to be responsible with money so we can break the vicious cycle that many Americans face today. Children look to their parents as role models. They typically develop their attitudes and habits through the examples they see in the home and look to their parents for advice in life skills and money management.

Children learn from play. Parents who recognize this fact take time to play games with their children. What a golden opportunity to teach your children about money! The examples listed below are just a few ideas for educating small children in their early years.

- Play grocery store or bank with play money.
- Let children pay for items (with your money) when shopping.
- Take them to the bank to open their own savings account.
- Have children clip coupons and give them some of the amount saved.
- Set up 3 jars: one jar marked "savings," another for "spending," and the third for "charity." Encourage them to divide their earnings equally among the three jars.

As children grow older, you can begin to involve them in actual life situations that they can understand. These ideas help reinforce what they have already learned.

- Give them odd jobs to earn money.
- Take them to the bank and let them make their own deposits.
- Have them check prices through newspaper ads, catalogs, and flyers before making a purchase.
- Take them grocery shopping to learn to compare labels and prices.
- Match part of what they save to make a purchase of their choice.
- Play family board games involving money, like Monopoly, Life, and Pay Day.

By the time a child has become a teenager, they will have greater awareness of what it takes to earn money, and how much their earnings will allow them to spend.

- Encourage them to keep a journal to record what they have earned and spent. This will help to establish a balance between wants and needs, keeping records, and taking responsibility for the decisions they have made.
- Help them to develop an uncomplicated budget for their spending.
- Let your child assist in some decisions that will help benefit the family, such as budgeting and planning for a family vacation.

# EDWARD LEONARD

## *Franklin County Treasurer*

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- Allow your children to do the family's grocery shopping.
- Discuss the pros and cons of using credit cards.
- Have them assist in shopping and comparing the prices of cars, as well as the cost for car insurance.
- Involve them in discussions about planning for college.

We need our children to be as financially aware as possible by the time they are ready to leave the nest. We want them to be able to make good financial decisions for themselves and avoid becoming one of the negative statistics listed above. Today, a great many resources are available to parents for teaching children about money.

- Involve your child in Junior Achievement, [www.ja.org](http://www.ja.org). This program is open to children grades K-12. It encourages, educates, and inspires children to improve the quality of their lives and have the ability to achieve their dreams.
- Older children can take advantage of the FDIC program called Money Smart, [www.fdic.gov/consumers/consumer/moneysmart](http://www.fdic.gov/consumers/consumer/moneysmart), to enhance their money skills. Through this program, you can build financial knowledge, develop and expand financial confidence, and learn to use banking services more efficiently.
- Discover Jump\$tart, [www.jumpstart.org](http://www.jumpstart.org). Acting as a clearinghouse, this program identifies personal finance materials for educational use and offers a wide variety of tools that can be used both in the classroom and at home. Some people prefer to make use of Biblical-based programs whenever possible. Crown Ministries, [www.crown.org](http://www.crown.org), offers a Biblical-based curriculum in money management that parents can share with their children. The Financial Peace University, which is another example of such a program that has been utilized by some area churches, can be found at [www.daveramsey.com](http://www.daveramsey.com).